# S. 2605

To direct the Secretary of the Interior and the heads of other Federal agencies to carry out an agreement resolving major issues relating to the adjudication of water rights in the Snake River Basin, Idaho, and for other purposes.

## IN THE SENATE OF THE UNITED STATES

June 24, 2004

Mr. Craig (for himself and Mr. Crapo) introduced the following bill; which was read twice and referred to the Committee on Indian Affairs

# A BILL

- To direct the Secretary of the Interior and the heads of other Federal agencies to carry out an agreement resolving major issues relating to the adjudication of water rights in the Snake River Basin, Idaho, and for other purposes.
  - 1 Be it enacted by the Senate and House of Representa-
  - 2 tives of the United States of America in Congress assembled,
  - 3 SECTION 1. SHORT TITLE.
  - 4 This Act may be cited as the "Snake River Water
  - 5 Rights Act of 2004".
  - 6 SEC. 2. PURPOSES.
  - 7 The purposes of this Act are—

1	(1) to resolve some of the largest outstanding
2	issues with respect to the Snake River Basin Adju-
3	dication in Idaho in such a manner as to provide im-
4	portant benefits to the United States, the State of
5	Idaho, the Nez Perce Tribe, the allottees, and citi-
6	zens of the State;
7	(2) to achieve a fair, equitable, and final settle-
8	ment of all claims of the Nez Perce Tribe, its mem-
9	bers, and allottees and the United States on behalf
10	of the Tribe, its members, and allottees to the water
11	of the Snake River Basin within Idaho;
12	(3) to authorize, ratify, and confirm the Agree-
13	ment among the parties submitted to the Snake
14	River Basin Adjudication Court and provide all par-
15	ties with the benefits of the Agreement;
16	(4) to direct—
17	(A) the Secretary, acting through the Bu-
18	reau of Reclamation, the Bureau of Land Man-
19	agement, the Bureau of Indian Affairs, and
20	other agencies; and
21	(B) the heads of other Federal agencies
22	authorized to execute and perform actions nec-
23	essary to carry out the Agreement;
24	to perform all of their obligations under the Agree-
25	ment and this Act; and

1	(5) to authorize the actions and appropriations
2	necessary for the United States to meet the obliga-
3	tions of the United States under the Agreement and
4	this Act.
5	SEC. 3. DEFINITIONS.
6	In this Act:
7	(1) AGREEMENT.—The term "Agreement"
8	means the document titled "Mediator's Term Sheet"
9	dated April 20, 2004, and submitted on that date to
10	the SRBA Court in SRBA Consolidated Subcase
11	03–10022 and SRBA Consolidated Subcase 67–
12	13701, with all appendices to the document.
13	(2) Allottee.—The term "allottee" means a
14	person that holds a beneficial real property interest
15	in an Indian allotment that is—
16	(A) located within the Nez Perce Reserva-
17	tion; and
18	(B) held in trust by the United States.
19	(3) Consumptive use reserved water
20	RIGHT.—The term "consumptive use reserved water
21	right" means the Federal reserved water right of
22	50,000 acre-feet per year, as described in the Agree-
23	ment, to be decreed to the Tribe and the allottees,

with a priority date of 1855.

- (4) Parties.—The term "parties" means the 1 2 United States, the State, the Tribe, and any other 3 entity or person that submitted, or joined in the sub-4 mission, of the Agreement to the SRBA Court on 5 April 20, 2004.
  - (5) Secretary.—The term "Secretary" means the Secretary of the Interior.
- 8 (6) SNAKE RIVER BASIN.—The term "Snake 9 River Basin" means the geographic area in the 10 State described in paragraph 3 of the Commencement Order issued by the SRBA Court on November 12 19, 1987.
  - (7) Springs or fountains water right.— The term "springs or fountains water right" means the Tribe's treaty right of access to and use of water from springs or fountains on Federal public land within the area ceded by the Tribe in the Treaty of June 9, 1863 (14 Stat. 647), as recognized under the Agreement.
  - (8) SRBA.—The term "SRBA" means the Snake River Basin Adjudication litigation before the SRBA Court styled as In re Snake River Basin Adjudication, Case No. 39576.
- 24 (9) SRBA COURT.—The term "SRBA Court" 25 means the District Court of the Fifth Judicial Dis-

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1	trict of the State of Idaho, In and For the County
2	of Twin Falls in re Snake River Basin Adjudication.
3	(10) State.—The term "State" means the
4	State of Idaho.
5	(11) Tribe.—The term "Tribe" means the Nez
6	Perce Tribe.
7	SEC. 4. APPROVAL, RATIFICATION, AND CONFIRMATION OF
8	AGREEMENT.
9	(a) In General.—Except to the extent that the
10	Agreement conflicts with the express provisions of this
11	Act, the Agreement is approved, ratified, and confirmed.
12	(b) Execution and Performance.—The Secretary
13	and the other heads of Federal agencies with obligations
14	under the Agreement shall execute and perform all ac-
15	tions, consistent with this Act, that are necessary to carry
16	out the Agreement.
17	SEC. 5. BUREAU OF RECLAMATION WATER USE.
18	(a) In General.—As part of the overall implementa-
19	tion of the Agreement, the Secretary shall take such ac-
20	tions consistent with the Agreement, this Act, and water
21	law of the State as are necessary to carry out the Snake
22	River Flow Component of the Agreement.
23	(b) MITIGATION FOR CHANGE OF USE OF WATER.—
24	(1) Authorization of appropriations.—
25	There is authorized to be appropriated to the Sec-

- retary \$2,000,000 for a 1-time payment to local governments to mitigate for the change of use of water acquired by the Bureau of Reclamation under section III.C.6 of the Agreement.
- 5 (2) DISTRIBUTION OF FUNDS.—Funds made 6 available under paragraph (1) shall be distributed by 7 the Secretary to local governments in accordance 8 with a plan provided to the Secretary by the State.
- 9 (3) Payments.—Payments by the Secretary 10 shall be made on a pro rata basis as water rights 11 are acquired by the Bureau of Reclamation.

#### 12 SEC. 6. BUREAU OF LAND MANAGEMENT LAND TRANSFER.

13 (a) Transfer.—

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- (1) IN GENERAL.—The Secretary shall transfer land selected by the Tribe under paragraph (2) to the Bureau of Indian Affairs to be held in trust for the Tribe.
- 18 (2) Land Selection.—The land transferred 19 shall be selected by the Tribe from a list of parcels 20 of land managed by the Bureau of Land Manage-21 ment that are available for transfer, as depicted on 22 the map entitled "North Idaho BLM Land Eligible 23 for Selection by the Nez Perce Tribe" dated May 24 2004, on file with the Director of the Bureau of 25 Land Management, not including any parcel des-

- ignated on the map as being on the Clearwater River
  or Lolo Creek.
- 3 (3) Maximum value.—The land selected by
  4 the Tribe for transfer shall be limited to a maximum
  5 value in total of not more than \$7,000,000, as deter6 mined by an independent appraisal of fair market
  7 value prepared in accordance with the Uniform
  8 Standards of Professional Appraisal Practice and
  9 the Uniform Appraisal Standards for Federal Land
  10 Acquisitions.

## (b) Existing Rights and Uses.—

- (1) In GENERAL.—On any land selected by the Tribe under subsection (a)(2), any use in existence on the date of transfer under subsection (a) under a lease or permit with the Bureau of Land Management, including grazing, shall remain in effect until the date of expiration of the lease or permit, unless the holder of the lease or permit requests an earlier termination of the lease or permit, in which case the Secretary shall grant the request.
- (2) AVAILABILITY OF AMOUNTS.—Amounts that accrue to the United States under a lease or permit described in paragraph (1) from sales, bonuses, royalties, and rentals relating to any land transferred to the Tribe under this section shall be

- 1 made available to the Tribe by the Secretary in the
- 2 same manner as amounts received from other land
- 3 held by the Secretary in trust for the Tribe.
- 4 (c) Date of Transfer.—No land shall be trans-
- 5 ferred to the Tribe under this section until the waivers
- 6 and releases under section 10 take effect.

#### 7 SEC. 7. WATER RIGHTS.

- (a) Holding in Trust.—
- 9 (1) In General.—The consumptive use re-
- served water right shall be held in trust by the
- 11 United States for the benefit of the Tribe and
- allottees.

- 13 (2) Springs or fountains water right.—
- The springs or fountains water right of the Tribe
- shall be held in trust by the United States for the
- benefit of the Tribe.
- 17 (b) Water Code.—
- 18 (1) In General.—The consumptive use re-
- served water right shall be subject to section 7 of
- 20 the Act of February 8, 1887 (25 U.S.C. 381; 24
- 21 Stat. 390, chapter 119).
- 22 (2) ENACTMENT OF WATER CODE.—Not later
- 23 than 3 years after the date of enactment of this Act,
- 24 the Tribe shall enact a water code, subject to any
- applicable provision of law, that—

1	(A) manages, regulates, and controls the
2	consumptive use reserved water right; and
3	(B) includes, subject to approval of the
4	Secretary—
5	(i) a process by which an allottee, or
6	any successor in interest to an allottee,
7	may request and be provided with an allo-
8	cation of water for irrigation use on allot-
9	ted land of the allottee; and
10	(ii) a due process system for the con-
11	sideration and determination of any re-
12	quest by an allottee, or any successor in in-
13	terest to an allottee, for an allocation of
14	water, including a process for appeal and
15	adjudication of denied or disputed distribu-
16	tions of water and for resolution of con-
17	tested administrative decisions.
18	(3) Rights of allottees.—Any provision of
19	the water code and any amendments to the water
20	code that affect the rights of the allottees shall be
21	subject to the approval of the Secretary, and no such
22	provision or amendment shall be valid until approved
23	by the Secretary.
24	(4) Interim administration.—The Secretary
25	shall administer the consumptive use reserved water

- right until such date as the water code described in paragraph (2) has been enacted by the Tribe and
- approved by the Secretary.
- 4 (c) Satisfaction of Claims.—
- 5 (1) IN GENERAL.—The water rights and other 6 benefits granted or confirmed by the Agreement and 7 this Act shall be in full satisfaction of all claims for 8 water rights and injuries to water rights of the 9 allottees.
- 10 (2) Satisfaction of entitlements.—Any 11 entitlement to water of any allottee under Federal 12 law shall be satisfied out of the consumptive use re-13 served water right.
- 14 (d) Abandonment, Forfeiture, or Nonuse.—
  15 The consumptive use reserved water right and the springs
  16 or fountains water right shall not be subject to loss by
  17 abandonment, forfeiture, or nonuse.
- 18 (e) Lease of Water.—
- 19 (1) IN GENERAL.—The Tribe, without further
  20 approval of the Secretary, may lease water to which
  21 the Tribe is entitled under the consumptive use re22 served water right through any State water bank in
  23 the same manner and subject to the same rules and
  24 requirements that govern any other lessor of water
  25 to the water bank.

1	(2) Funds.—Any funds accruing to the Tribe
2	from any lease under paragraph (1) shall be the
3	property of the Tribe, and the United States shall
4	have no trust obligation or other obligation to mon-
5	itor, administer, or account for any consideration re-
6	ceived by the Tribe under any such lease.
7	SEC. 8. TRIBAL FUNDS.
8	(a) Definition of Fund.—In this section, the term
9	"Fund" means—
10	(1) the Nez Perce Tribe Water and Fisheries
11	Fund established under subsection $(b)(1)$ ; and
12	(2) the Nez Perce Tribe Domestic Water Sup-
13	ply Fund established under subsection (b)(2).
14	(b) Establishment.—There are established in the
15	Treasury of the United States—
16	(1) a fund to be known as the "Nez Perce
17	Tribe Water and Fisheries Fund", to be used to pay
18	or reimburse costs incurred by the Tribe in acquir-
19	ing land and water rights, restoring or improving
20	fish habitat, or for fish production, agricultural de-
21	velopment, cultural preservation, water resource de-
22	velopment, or fisheries-related projects; and
23	(2) a fund to be known as the "Nez Perce Do-
24	mestic Water Supply Fund", to be used to pay the
25	costs for design and construction of water supply

1	and sewer systems for tribal communities, including
2	a water quality testing laboratory.
3	(c) Management of the Funds.—The Secretary
4	shall manage the Funds, make investments from the
5	Funds, and make amounts available from the Funds for
6	distribution to the Tribe consistent with the American In-
7	dian Trust Fund Management Reform Act of 1994 (25
8	U.S.C. 4001 et seq.), this Act, and the Agreement.
9	(d) Investment of the Funds.—The Secretary
10	shall invest amounts in the Funds in accordance with—
11	(1) the Act of April 1, 1880 (25 U.S.C. 161;
12	21 Stat. 70, chapter 41);
13	(2) the first section of the Act of June 24,
14	1938 (25 U.S.C. 162a; 52 Stat. 1037, chapter 648);
15	and
16	(3) subsection (c).
17	(e) Availability of Amounts From the
18	Funds.—Amounts made available under subsection (h)
19	shall be available for expenditure or withdrawal only after
20	the waivers and releases under section 10 take effect.
21	(f) Expenditures and Withdrawal.—
22	(1) Tribal management plan.—
23	(A) In General.—The Tribe may with-
24	draw all or part of amounts in the Funds on
25	approval by the Secretary of a tribal manage-

- 1 ment plan as described in the American Indian 2 Trust Fund Management Reform Act of 1994 3 (25 U.S.C. 4001 et seq.).
  - (B) REQUIREMENTS.—In addition to the requirements under the American Indian Trust Fund Management Reform Act of 1994 (25 U.S.C. 4001 et seq.), the tribal management plan shall require that the Tribe spend any amounts withdrawn from the Funds in accordance with the purposes described in subsection (b).
  - (C) Enforcement.—The Secretary may take judicial or administrative action to enforce the provisions of any tribal management plan to ensure that any amounts withdrawn from the Funds under the plan are used in accordance with this Act and the Agreement.
  - (D) LIABILITY.—If the Tribe exercises the right to withdraw amounts from the Funds, neither the Secretary nor the Secretary of the Treasury shall retain any liability for the expenditure or investment of the amounts.

#### (2) Expenditure plan.—

(A) IN GENERAL.—The Tribe shall submit to the Secretary for approval an expenditure

1	plan for any portion of the amounts made avail-
2	able under subsection (h) that the Tribe does
3	not withdraw under this subsection.
4	(B) Description.—The expenditure plan
5	shall describe the manner in which, and the
6	purposes for which, amounts of the Tribe re-
7	maining in the Funds will be used.
8	(C) Approval.—On receipt of an expendi-
9	ture plan under subparagraph (A), the Sec-
10	retary shall approve the plan if the Secretary
11	determines that the plan is reasonable and con-
12	sistent with this Act and the Agreement.
13	(D) ANNUAL REPORT.—For each Fund
14	the Tribe shall submit to the Secretary an an-
15	nual report that describes all expenditures from
16	the Fund during the year covered by the report
17	(g) No Per Capita Payments.—No part of the
18	principal of the Funds, or of the income accruing in the
19	Funds, shall be distributed to any member of the Tribe
20	on a per capita basis.
21	(h) Authorization of Appropriations.—There
22	are authorized to be appropriated—
23	(1) \$60,100,000 to the Nez Perce Tribe Water
24	and Fisheries Fund; and

1	(2) \$23,000,000 to the Nez Perce Tribe Do-
2	mestic Water Supply Fund.
3	SEC. 9. SALMON AND CLEARWATER RIVER BASINS HABITAT
4	FUND.
5	(a) Establishment of Fund.—
6	(1) IN GENERAL.—There is established in the
7	Treasury of the United States a fund to be known
8	as the "Salmon and Clearwater River Basins Habi-
9	tat Fund" (referred to in this section as the
10	"Fund"), to be administered by the Secretary.
11	(2) ACCOUNTS.—There is established within the
12	Fund—
13	(A) an account to be known as the "Nez
14	Perce Tribe Salmon and Clearwater River Ba-
15	sins Habitat Account", which shall be adminis-
16	tered by the Secretary for use by the Tribe sub-
17	ject to the same provisions for management, in-
18	vestment, and expenditure as the funds estab-
19	lished by section 8; and
20	(B) an account to be known as the "Idaho
21	Salmon and Clearwater River Basins Habitat
22	Account", which shall be administered by the
23	Secretary and provided to the State as provided
24	in the Agreement and this Act.
25	(b) Use of the Fund —

- 1 (1) IN GENERAL.—The Fund shall be used to
  2 supplement amounts made available under other law
  3 for habitat protection and restoration in the Salmon
  4 and Clearwater River basins, including projects and
  5 programs intended to protect and restore listed fish
  6 and their habitat in the Salmon and Clearwater ba7 sins, as specified in the Agreement and this Act.
  - (2) No ALLOCATION REQUIREMENT.—The use of the Fund shall not be subject to the allocation procedures under section 6(d)(1) of the Endangered Species Act of 1973 (16 U.S.C. 1535(d)(1)).
- 12 (3) Release of funds.—The Secretary shall 13 release funds from the Clearwater River Basins 14 Habitat Account in accordance with section 6(d)(2)15 of the Endangered Species  $\operatorname{Act}$ (16)U.S.C. 16 1535(d)(2).
- 17 (c) AVAILABILITY OF AMOUNTS IN THE FUND.—
  18 Amounts made available under subsection (d) shall be
  19 available for expenditure or withdrawal only after the
  20 waivers and releases under section 10(a) take effect.
- 21 (d) AUTHORIZATION OF APPROPRIATIONS.—There
  22 are authorized to be appropriated—
- 23 (1) \$12,666,670 to the Nez Perce Tribe Salmon 24 and Clearwater River Basins Habitat Account; and

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1	(2) \$25,333,330 to the Idaho Salmon and
2	Clearwater River Basins Habitat Account.
3	SEC. 10. TRIBAL WAIVER AND RELEASE OF CLAIMS.
4	(a) Waiver and Release of Claims in Gen-
5	ERAL.—
6	(1) Claims to water rights; claims for in-
7	JURIES TO WATER RIGHTS OR TREATY RIGHTS.—Ex-
8	cept as otherwise provided in this Act, the United
9	States on behalf of the Tribe and the allottees, and
10	the Tribe, waive and release—
11	(A) all claims to water rights within the
12	Snake River Basin (as defined in section 3(b));
13	(B) all claims for injuries to such water
14	rights; and
15	(C) all claims for injuries to the treaty
16	rights of the Tribe to the extent that such inju-
17	ries result or resulted from flow modifications
18	or reductions in the quantity of water available
19	that accrued at any time up to and including
20	the effective date of the settlement, and any
21	continuation thereafter of any such claims,
22	against the State, any agency or political sub-
23	division of the State, or any person, entity, cor-
24	poration, municipal corporation, or quasi-mu-
25	nicipal corporation.

- (2) Claims based on reduced water qual-ITY OR REDUCTIONS IN WATER QUANTITY.—The United States on behalf of the Tribe and the allottees, and the Tribe, waive and release any claim, under any treaty theory, based on reduced water quality resulting directly from flow modifications or reductions in the quantity of water available in the Snake River Basin against any party to the Agree-ment or this Act.
  - (3) No future assertion of claims.—No water right claim that the Tribe or the allottees have asserted or may in the future assert outside the Snake River Basin shall require water to be supplied from the Snake River Basin to satisfy the claim.
  - (4) EFFECT OF WAIVERS AND RELEASES.—The waivers and releases by the United States and the Tribe under this subsection—
  - (A) shall be permanent and enforceable; and
    - (B) shall survive any subsequent termination of any component of the settlement described in the Agreement or this Act.
    - (5) EFFECTIVE DATE.—The waivers and releases under this subsection take effect on the date on which the Secretary causes to be published in the

1	Federal Register a statement of findings that the ac-
2	tions set forth in section IV.L of the Agreement—
3	(A) have been completed, including
4	issuance of a judgment and decree by the
5	SRBA court from which no further appeal may
6	be taken; and
7	(B) have been determined by the United
8	States on behalf of the Tribe and the allottees,
9	the Tribe, and the State of Idaho to be con-
10	sistent in all material aspects with the Agree-
11	ment.
12	(b) Waiver and Release of Claims Against the
13	United States.—
14	(1) In general.—In consideration of perform-
15	ance by the United States of all actions required by
16	the Agreement and this Act, including the appro-
17	priation of all funds authorized under sections 8(h)
18	and 9(d)(1), the Tribe shall execute a waiver and re-
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	lease of the United States from—
20	lease of the United States from—  (A) all claims for water rights within the
20	(A) all claims for water rights within the
20 21	(A) all claims for water rights within the Snake River Basin, injuries to such water

1	the effective date determined under paragraph
2	(2);
3	(B) all claims for injuries to the Tribe's
4	treaty fishing rights, to the extent that such in-
5	juries result or resulted from reductions in the
6	quantity of water available in the Snake River
7	Basin;
8	(C) all claims of breach of trust for failure
9	to protect Nez Perce springs or fountains treaty
10	rights reserved in article VIII of the Treaty of
11	June 9, 1863 (14 Stat. 651); and
12	(D) all claims of breach of trust arising
13	out of the negotiation of or resulting from the
14	adoption of the Agreement.
15	(2) Effective date.—The waiver and release
16	contained in this subsection take effect on the date
17	on which the funds authorized under sections 8(h)
18	and 9(d)(1) of this Act have been appropriated as
19	authorized by this Act.
20	(c) RETENTION OF RIGHTS.—
21	(1) In General.—The Tribe shall retain all
22	rights not specifically waived or released in the
23	Agreement or this Act.
24	(2) Dworshak Project.—Nothing in the
25	Agreement or this Act constitutes a waiver by the

1	Tribe of any claim against the United States relat-
2	ing to non-water-based injuries resulting from the
3	construction and operation of the Dworshak Project.
4	(3) Future acquisition of water rights.—
5	Nothing in the Agreement or this Act precludes the
6	Tribe, or the United States as trustee for the Tribe,
7	from purchasing or otherwise acquiring water rights
8	in the future to the same extent as any other entity
9	the State.
10	SEC. 11. MISCELLANEOUS.
11	(a) General Disclaimer.—The parties expressly
12	reserve all rights not specifically granted, recognized, or
13	relinquished by the settlement described in the Agreement
14	or this Act.
15	(b) Disclaimer Regarding Other Agreements
16	and Precedent.—
17	(1) In general.—Except as expressly provided
18	in this Act, nothing in this Act amends, supersedes,
19	or preempts any State law, Federal law, Tribal law,
20	or interstate compact that pertains to the Snake
21	River or its tributaries.
22	(2) No establishment of standard.—Noth-
23	ing in this Act—
24	(A) establishes any standard for the quan-
25	tification of Federal reserved water rights or

1	any other Indian water claims of any other In-
2	dian tribes in any other judicial or administra-
3	tive proceeding; or
4	(B) limits the rights of the parties to liti-
5	gate any issue not resolved by the Agreement or
6	this Act.
7	(3) No admission against interest.—Noth-
8	ing in this Act constitutes an admission against in-
9	terest against any party in any legal proceeding.
10	(c) Treaty Rights.—Nothing in the Agreement or
11	this Act impairs the treaty fishing, hunting, pasturing, or
12	gathering rights of the Tribe except to the extent expressly
13	provided in the Agreement or this Act.
14	(d) Other Claims.—Nothing in the Agreement or
15	this Act quantifies or otherwise affects the water rights,
16	claims, or entitlements to water, or any other treaty right,
17	of any Indian tribe, band, or community other than the
18	Tribe.
19	(e) Recreation on Dworshak Reservoir.—
20	(1) In general.—In implementing the provi-
21	sions of the Agreement and this Act relating to the
22	use of water stored in Dworshak Reservoir for flow
23	augmentation purposes, the heads of the Federal
24	agencies involved in the operational Memorandum of

Agreement referred to in the Agreement shall imple-

1	ment a flow augmentation plan beneficial to fish and
2	consistent with the Agreement.
3	(2) Contents of Plan.—The flow augmenta-
4	tion plan may include provisions beneficial to rec-
5	reational uses of the reservoir through maintenance
6	of the full level of the reservoir for prolonged periods
7	during the summer months.
8	(f) Jurisdiction.—
9	(1) No effect on subject matter juris-
10	DICTION.—Nothing in the Agreement or this Act re-
11	stricts, enlarges, or otherwise determines the subject
12	matter jurisdiction of any Federal, State, or Tribal
13	court.
14	(2) Consent to Jurisdiction.—The United
15	States consents to jurisdiction in a proper forum for
16	purposes of enforcing the provisions of the Agree-
17	ment.
18	(3) Effect of Subsection.—Nothing in this
19	subsection confers jurisdiction on any State court
20	to—
21	(A) enforce Federal environmental laws re-
22	garding the duties of the United States; or
23	(B) conduct judicial review of Federal
24	agency action.